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STATE OF MICHIGAN



JOHN ENGLER, GOVERNOR

DEPARTMENT OF TRANSPORTATION

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JAMES R. DeSANA, DIRECTOR

December 5, 2000

The Honorable Philip E. Hoffman, Chairman  
Senate Appropriations Subcommittee on Transportation  
P.O. Box 30036  
Lansing, Michigan 48909

The Honorable Judith Scranton, Chairwoman  
House Appropriations Subcommittee on Transportation  
P.O. Box 30014  
Lansing, Michigan 48909

Dear Senator Hoffman and Representative Scranton:

Enclosed is a copy of the Michigan Department of Transportation's response to the requirements found in our boilerplate language regarding Section 720. This language addresses reporting requirements for the use of regional coordination service funds. This report includes: a synopsis of how the funds have been spent since the beginning of the program; a more detailed summary of the projects that were programmed during FY 1999 and FY 2000; and a program assessment.

If you have questions or comments regarding this report, feel free to contact me or Philip F. Kazmierski, Deputy Director, Bureau of Urban and Public Transportation, at 373-2282.

Sincerely,

A handwritten signature in cursive script, reading "James R. DeSana".

James R. DeSana  
Director

Enclosure

cc: House Appropriations Subcommittee on Transportation  
Senate Appropriations Subcommittee on Transportation

# **REGIONAL TRANSPORTATION PROGRAM**

## **REPORT TO THE LEGISLATURE**

### **MICHIGAN DEPARTMENT OF TRANSPORTATION**

#### **BUREAU OF URBAN AND PUBLIC TRANSPORTATION**

***Philip F. Kazmierski***  
**DEPUTY DIRECTOR**

**DECEMBER 2000**

#### **MICHIGAN STATE TRANSPORTATION COMMISSION**

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***Jack L. Gingrass, Vice Chairman***

**DIRECTOR**  
***James R. DeSana*****REGIONAL TRANSPORTATION PROGRAM**

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Section 720 states “The appropriation in part 1 for regional service coordination shall not be distributed until the department submits a report to the house of representatives and senate appropriations subcommittees on transportation and the house of representatives and senate fiscal agencies. The department shall submit the report by October 15, 2000. The report shall describe how the appropriations for this program have been spent in the last 2 years and assess the program’s effectiveness during this period.”

#### **Background**

Regional transportation is defined as public transportation service that facilitates regional travel across multiple eligible agencies, as defined in Act 51, crossing one or more county lines into areas outside of the current service area. Regional projects focus on multi-county service and are

not intended for expansion of new services within a county. The regional transportation program is intended to address the needs of individuals to get to medical facilities, jobs, educational institutions, recreation, and shopping that is not accessible by transit in the area where they live. The needs are met by providing seamless travel across county lines.

The regional transportation program began in fiscal year (FY) 1997. Funding is distributed by an annual application process and can be for multi-year projects. Projects selected under the regional program have provided a statewide representation and have included both urban and rural areas. The regional program promotes transit service between counties that would not otherwise be available. There are nearly 50 counties that have been included in services being provided through the regional program.

This report is divided into three sections: funding eligibility; regional program funding; and project summary. The funding eligibility section describes how the funds are appropriated. The regional program funding section provides a synopsis of how the funds have been allocated by fiscal year since the beginning of the program. The project summary provides a detailed description of the projects that were selected for FY 1999 and 2000. In addition, two attachments are included at the end of the report to further explain the program. Attachment A contains a funding summary of the projects programmed as part of the regional program by fiscal year. A map illustrating the counties involved in this program is found on Attachment B of this report.

### **Funding Eligibility**

Eligible expenses include start-up expenses, capital and maintenance equipment, facility modification, marketing, operating assistance, and coordination studies. Operating assistance is based on a percent of the annual eligible expenses, up to a maximum contract amount. The first year of operating assistance is up to 70 percent, the second year is up to 60 percent, and the third year is up to 50 percent of eligible expenses. Capital assistance is provided at 100 percent of cost. Vehicles funded under this program must be included in the Americans with Disabilities Act of 1990 Certification/Vehicle Accessibility Plan of the agency receiving the vehicle(s). Requests for capital assistance and coordination studies are considered after all other state and federal funding sources have been exhausted.

### **Regional Program Funding**

#### **Fiscal Year 1997**

The regional program allocation for FY 1997 was \$2 million. Seven projects were selected. \*See Attachment A for a list of projects. The funds were used to finance capital requests and two years of operating assistance for all but one project. Therefore, to complete the funding obligation from this call for projects, the cost of \$157,542 was included in the FY 1998 program.

#### **Fiscal Year 1998**

The regional program allocation for FY 1998 was \$3 million. These funds were used to finance the remaining obligation for a multi-year project from FY 1997. It was also used to fund three years of operating assistance and the capital requests for the eight projects selected as part of the FY 1998 program. \*See Attachment A for a list of projects. To complete the funding obligation from this call for projects, the cost of \$227,419 was included in the FY 1999 program.

#### **Fiscal Year 1999**

The regional program allocation for FY 1999 was \$1 million. These funds were used to finance the remaining obligation for a multi-year project from FY 1998 and a request for additional funds for the second year of operating from the Capital Area Transportation Authority (CATA). It was also used to fund the third year of operating assistance for the FY 1997 projects, as well as a capital request from a FY 1997 project. The remaining funds were dedicated to finance a new project that was submitted by CATA. This project underwent a bid process to allow private providers an opportunity to compete to provide the service. To complete the funding obligation from this call for projects, the cost of \$89,215 was included in the FY 2000 program. \*See Attachment A for a list of projects.

#### **Fiscal Year 2000**

The regional program allocation for FY 2000 was \$1 million. These funds were used to finance the remaining obligation for a multi-year project from FY 1999. The remaining funds were dedicated to finance three years of operating and needed capital for a project submitted from Cheboygan County as part of the FY 2000 program. The planning phase of this project included input from the intercity bus carriers operating within the state. This project will undergo a bid process to allow private providers an opportunity to compete to provide the service. The requested state funds total \$1,089,050. To complete the funding obligation from this call for projects, the cost of \$178,265 was included in the FY 2001 program. \*See Attachment A for a list of projects.

#### **Project Summary for FY 1999 and FY 2000**

The following is a summary of the projects that were selected as part of the regional transportation program for FY 1999 and FY 2000. The information contains a list of the counties included within the project service area and the capital and operating assistance appropriation.

#### **Fiscal Year 1999**

The third year of operating assistance was funded for four of the FY 1997 projects (Bay Metropolitan Transportation Authority, Capital Area Transportation Authority, Charlevoix County Transit, and Livingston Essential Transportation Service). The amount needed was \$330,276. This concluded the three year pilot phase of these projects. Agencies continuing regional service beyond the third year have included these expenses in their budget for Local Bus Operating Assistance.

An additional \$23,520 was awarded to the Capital Area Transportation Authority (CATA) to be used for second year operating expenses for its FY 1997 project that included service between Ingham and Clinton Counties. These funds were used to finance an unforeseen needed increase in operating assistance. This project provides demand-response, advanced reservation, curb-to-curb service for people traveling to employment sites.

The amount of \$227,419 was also granted to Flint Mass Transportation Authority (MTA). These funds were needed to finance a multi-year project that started in FY 1997. Due to the popularity of the project, additional operating assistance was needed from both FY 1998 and FY 1999. The service area includes Genesee, Lapeer, Livingston, Oakland, and Saginaw Counties. Your Ride vans are used to provide needed transportation for employment opportunities, especially during off-hours and on weekends.

The amount of \$76,000 was dedicated to a capital request for Charlevoix County Transit, which was a multi-year project that started in FY 1997. When this service started, existing vehicles were used. However, as the service developed, the need for additional vehicles was recognized. Therefore, funds were appropriated for additional vehicles to facilitate the regional service being provided. The service area includes Antrim, Benzie, Charlevoix, Grand Traverse, Kalkaska, and Leelanau Counties. Medical trips are accommodated to major medical facilities on a reservation basis. Flexible route service is also available to accommodate education, employment, shopping, and/or recreational trip purposes.

The remaining funds were programmed for the project listed below:

**Capital Area Transportation Authority (CATA):** Service area includes Ingham and Eaton Counties. This project received \$432,000 in operating assistance, of which \$342,785 was provided from the FY 1999 program and \$89,215 came from the FY 2000 program. Demand-response, advanced reservation, curb-to-curb service is provided for Ingham County residents traveling to employment sites in Eaton County. The service extends CATA's hours of operation into the evening and began on October 9, 2000.

**Fiscal Year 2000**

**Cheboygan County:** Service area includes Cheboygan, Emmet, Otsego, and Presque Isle Counties. This project received \$492,450 in capital and \$596,600 in operating assistance, of which \$178,265 is planned to come from the FY 2001 program upon completion of this report.

The proposal is to operate five flexible routes to connect communities and provide needed inter-county transportation for these rural counties. The service will transport customers to medical/health care facilities, educational/training facilities, employment centers, major stores/commercial districts, and social/recreational sites.

Preparation with the local communities to start service is underway. Interlocal agreements are being secured to allow service to operate between the various communities. In addition, an

Invitation to Bid (IFB) is being prepared to identify a provider for the service. Service is expected to begin in May 2001.

### **Program Assessment**

The regional transportation program represents a collaboration between transit agencies, specialized services providers, human service agencies, employers, and medical facility operators to move passengers to desired destinations. The projects are coordinated at the local level to ensure that service adjustments and connections between providers are made. The projects are monitored at the state level to ensure that program guidelines are being met and to provide oversight.

The regional program began in response to a demand from both transit agencies and citizens of the state of Michigan. It has allowed participating agencies to provide transportation to meet customer needs outside of their service area. The program has been especially instrumental in the state's welfare reform effort because it has provided the ability to transport people to employment opportunities in adjoining communities that would not have otherwise been available.

Another benefit of the program is the application itself. Regional program grant applicants are afforded the opportunity to identify the need of the community and develop service to meet that need. This has provided flexibility to those participating in the program as opposed to the state determining the regions and limiting the service within those defined areas. In addition, due to the required coordination, agencies are able to work together to test and modify the regional service that is being provided. Adjustments are made accordingly to maximize customer satisfaction, resulting in increased ridership.

FY 2000 marked the end of the pilot phase of the projects that began in the first year of funding for the program. As local patrons have become accustomed to the regional transportation service being provided, the need for the service has continued. Consequently, some agencies have elected to continue the regional service and include these expenses in their budget for Local Bus Operating Assistance and provide local matching funds. This community support demonstrates the success of the regional service being provided.

### **ATTACHMENT A - FISCAL YEAR FUNDING SUMMARY**

#### **FY 1997 Program**

Bay Metropolitan Transportation Authority (BMTA)	\$131,171
Capital Area Transportation Authority (CATA)	\$156,000
Charlevoix County Transit	\$664,597
City of Belding, Dial-A-Ride (DART)	\$12,122
Flint Mass Transportation Authority (MTA)	\$221,675
Livingston Essential Transportation Service (LETS)	\$135,609

Marquette County Transit Authority (Marqtran)	\$591,518*
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\*\$237,890 transferred to Alger County Transit Authority for 3<sup>rd</sup> year operating assistance

### **FY 1998 Program**

1997 Marqtran multi-year project	\$157,542
BMTA	\$280,080
Caro Transit Authority (CTA)	\$178,232
City of Alpena - Thunder Bay Transportation Corporation	\$300,795
City of Belding DART	\$76,649
Flint MTA	\$1,109,534
Kalamazoo County Human Services Department - CARE-A-VAN	\$427,794
LETS	\$7,000
Roscommon County - Roscommon Mini Bus System	\$462,375

### **FY 1999 Program**

1998 Flint MTA multi-year project	\$227,419
BMTA	\$55,000
CATA - Clinton and Ingham Counties	\$103,120
Charlevoix County Transit	\$239,411
LETS	\$32,265
CATA - Eaton and Ingham Counties	\$342,785



**FY 2000 Program**

1999 CATA multi-year project	\$89,215
Cheboygan County	\$910,785

**FY 2001 Program**

2000 Cheboygan County multi-year project	\$178,265
funds available for new regional projects	\$821,735

# Regional Transportation Program

